



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 25, 2005

Good job, all!
M.A. Wright

TO: Mary Ann Wright, Acting Director

THRU: Mark Mesch, Acting Associate Director *MM*

THRU: Daron R. Haddock, Permit Supervisor *DRH*

FROM: Paul Baker, Senior Reclamation Biologist *PB*

SUBJECT: Request for Release of Reclamation Surety, Geokinetics, Seep Ridge Mine, M/047/002, Uintah County, Utah

On September 20, 2004, the Division received a request from Geokinetics to release the full reclamation bond being held for the Seep Ridge Mine.

I visited the site on May 20, 2004, to measure revegetation success. I found 23.0 percent cover from perennial vegetation in the reclaimed area and 23.9 percent perennial vegetation cover in an adjacent undisturbed area. This clearly meets the standard for release. A copy of the inspection report is attached.

Subsequent inspections were conducted July 8 and October 18, 2004, to look for a well that was supposedly not plugged and to verify that debris from the mining operation had been removed or disposed of. These issues have been resolved. With the exception of a well (see below), all facilities have been removed, and the site has been graded to resemble the surrounding terrain. This was an *in-situ* oil shale production mine, so little grading was required.

One final issue at this site has been the disposition of an operating water well that is being used for stock watering. Since the mine is on land managed by the School and Institutional Trust Lands Administration (SITLA), SITLA insisted that ownership of this well be transferred to them before final bond release was given. The grazing lessee has now posted a bond with SITLA for operation and potentially for reclamation of this well. SITLA has applied for the water right and agrees the bond could be released (see attached Director's Agenda Minutes from SITLA dated January 14, 2005).

Page 2 of 2
Request for Release
M/047/002
January 25, 2005

The operator has a \$13,474.14 certificate of deposit with Frost National Bank as reclamation surety for this site. If you are in agreement with fully releasing Geokinetics from further reclamation requirements, please sign the letters to the bank and to the operator granting full release of the reclamation surety.

Thank you for your consideration of this request.

PBB:jb
Enclosures: Inspection memos; Director's Agenda Minutes
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